

Executive Registry
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APPROVED FOR
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13-Sep-2010

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18 MAY 1967
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MEMORANDUM FOR: Director of Central Intelligence

SUBJECT : Threatened Strike at Air America, Saigon

1. This memorandum is for your information only.
2. Immediately following the Morning Meeting, Mr. Grundy, President of Air America, was contacted by telephone in Taipei. He reports the following.
3. Two weeks ago, the Director of Personnel, Air America, went to Saigon to talk with the union leaders. He subsequently worked with the Saigon Base Manager and developed an increase of about 17% overall to be effective 1 May, as well as a new set of working rules. Since these rules have an impact on maintenance and operations, they were taken to Taipei by the Base Manager on 10 May.
4. Mr. Grundy was told that while we expect him to negotiate in the interests of cost and the company, he must be sure to allow no work stoppage. Mr. Grundy understands this and is returning personally with the Base Manager to Saigon to resolve this problem.
5. Intermittently over the years, there are spot stoppages of work by segments of the local work force. This is not peculiar to Air America, but is something that all contractors face as a result of the shortage of labor.
6. The cable from Ambassador Bunker was probably written by the Labor Attache with whom we have had experience in the past. He is an old union organizer, I am told, who is inclined to be less than objective in labor matters.

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Alan M. Warfield

Assistant Deputy Director
for Support

WVA 15 11 33 UN 23

cc: DDCI

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INCOMING TELEGRAM Department of State

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SUBJECT: THREATENED STRIKE AT AIR AMERICA

1. AIR AMERICA IS IN DANGER OF A STRIKE BY ITS 550 VIETNAMESE WORKERS AT TAN SON NHUT.

2. A DELEGATION OF FOUR AIR AMERICA UNION LEADERS, PLUS TWO OFFICIALS FROM THE NATIONAL CVT HEADQUARTERS, CAME TO SEE LABOR ATTACHE THE MORNING OF MAY 11 TO DESCRIBE THEIR PROBLEM. THEY SAID THEY HAD SET NO STRIKE DATE, BUT UNLESS AIR AMERICA PROVIDED SUBSTANTIAL WAGE CONCESSIONS SOON, THERE WOULD BE A PROTEST WALKOUT WHETHER THE UNION CALLED IT OR NOT.

3. THE UNION HAS ASKED THE EMPLOYEES TO BE PATIENT PENDING THE RETURN OF TOP LOCAL MANAGEMENT FROM CONSULTATION AT AIR AMERICA'S ASIAN REGIONAL OFFICE IN TAIPEI, SUPPOSEDLY ON MAY

15 OR 16. THERE HAS BEEN NO WORD FROM MANAGEMENT FOR NEARLY TWO AND A HALF WEEKS, AND THE UNION MEN SAID THEIR MEMBERS ARE GETTING RESTLESS.

4. THE CHIEF POINT IN DISPUTE IS THE UNION REQUEST FOR A 30 PERCENT TO 50 PERCENT INCREASE IN WAGES. OTHER AIRLINES, THE UNION CLAIMS, RECENTLY GRANTED SUBSTANTIAL INCREASES. (PAN AMERICA SAYS ITS LOCAL AGENCY LAST MONTH GRANTED A 20 PERCENT INCREASE.)

5. A STRIKE OF THESE WORKERS WOULD CRIPPLE AIR AMERICA OPERATIONS NATIONALLY. WE ARE CONSULTING WITH AIR AMERICA MANAGEMENT TO SEE WHAT CAN BE DONE.

BUNKER

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